



U.S. DEPARTMENT OF ENERGY
Office of Electricity Delivery and Energy Reliability
Infrastructure Security and Energy Restoration

ENERGY ASSURANCE DAILY

Tuesday Evening, October 23, 2007

Major Developments

Southern California Fires Continues to Strain Energy Grid – Brief Outages Affect Over 500,000 Customers

Over a dozen wild fires consuming more than 200,000 acres since October 20 have placed significant constraints on the power grid in Southern California and have caused brief outages affecting nearly 600,000 customers. Transmission line outages led California's Independent Service Operator on October 22 to order Southern California Edison (SCE) to shed 300 MW of its load and SDG&E to cut 200 MW which temporarily shut off power to 70,000 SDG&E customers. Southern California Edison's website said that a cumulative 493,000 customers experienced power interruptions due to the fire since conditions began on October 21. SCE reported numerous wires down, many poles in need of replacement, and several transformers out.

<http://www.sce.com/Safety/Events/windstorm.htm>

http://today.reuters.com/news/articleinvesting.aspx?type=bondsNews&storyID=2007-10-22T235101Z_01_N22214825_RTRIDST_0_UTILITIES-CALISO-GRID-UPDATE-1.XML

Map of Current Fires: http://activefiremaps.fs.fed.us/fireplots/cgb2007296_0300.jpg

California Wildfire Situation Report

For the latest developments concerning the California wildfires, see the California Wildfire Situation Report #2 from the Office of Electricity Delivery and Energy Reliability (OE) of the U.S. Department of Energy.

http://www.oe.netl.doe.gov/named_event.aspx?ID=3

Electricity

APS's 1,243 MW Palo Verde Nuke Unit 1 in Arizona Shut October 22

A malfunction of a steam chest valve, a control valve that is used to reduce thermal stresses in a steam turbine, caused the unit to trip offline. The restart date is estimated for October 29.

Reuters, 08:45 October 23, 2007

<http://www.nrc.gov/reading-rm/doc-collections/event-status/reactor-status/ps.html>

<http://www.nrc.gov/reading-rm/doc-collections/event-status/reactor-status/2007/20071022ps.html>

OPG's 490 MW Nanticoke Coal-fired Unit 5 in Ontario Shut October 23, 2007

The restart date is estimated for October 28

Reuters, 08:45 October 23, 2007

TransAlta's 279 MW Wabamun Coal-fired Unit 4 in Alberta Shut October 22

The restart date is unknown.

Reuters, 08:45 October 23, 2007

AES's 495 MW Alamos Gas-fired Unit 6 in California Shut October 22

The restart date is unknown.

Reuters, 21:13 October 22, 2007

Dynegy's 754 MW Moss Landing Gas-fired Unit 6 Shut in California October 22

The restart date is unknown.

Reuters, 21:13 October 22, 2007

TransAlta's 280 MW Sundance Coal-fired Unit 2 in Alberta Shut October 22

The restart date is unknown.

Reuters, 21:13 October 22, 2007

SCE's 295 MW Mountainview Gas-fired Unit 4 in California Shut October 21

The restart date is unknown.

Reuters, 14:33 October 22, 2007

AES's 243 MW Alamos Gas-fired Unit 3 in California Shut October 21

The restart date is unknown.

Reuters, 14:33 October 22, 2007

Petroleum

Sulfur Dioxide Released at Valero's 210,000 b/d Delaware Refinery October 22

According to a filing with state regulators, Valero Energy Corp. reported a release of sulfur dioxide from its refinery in Delaware. A stuck gas valve prompted the flaring,

<http://www.dnrec.state.de.us/dnrec2000/notification/Releases/ReleaseDetail.asp?ReleaseHistoryID=6244>

Valero Reports Process Upset at its 195,000 b/d Paulsboro, New Jersey Refinery

Valero Energy Corp had a "process upset" on an amine recovery unit at its Paulsboro oil refinery in New Jersey, according to a filing with state regulators.

Bloomberg News, 17:31 October 22, 2007

Update: Flaring Planned at BP's 260,000 b/d Carson Refinery in California

BP Plc said it plans to begin flaring today its refinery in Carson, California and is scheduled to occur through October 30. The flaring is associated with the process of starting up crude and coker units, which were down for repairs and maintenance.

Bloomberg News, 13:03 October 22, 2007

Update: BP Expects Whiting and Texas City Refineries to Return to Full Capacity First Half 2008

BP Plc expects refineries in Whiting, Indiana and Texas City, Texas to return to full capacity in the first half of 2008. Combined, the refineries can process 865,000 b/d of crude. By the end of 2007, the Whiting refinery will be up to 300,000 b/d and Texas City will reach 400,000 b/d.

Bloomberg News, 02:54 October 23, 2007

Federated Co-op's May Increase Capacity of FCC Unit at its 100,000 b/d Regina Refinery in Saskatchewan

Federated Co-operatives may expand the fluid catalytic cracking unit at its refinery in Regina, Saskatchewan, by 30 percent. If undertaken, the expansion would add 30,000 b/d to the plant's current 100,000 b/d capacity.

Bloomberg News, 07:52 October 23, 2007

Bloomberg News, 12:29 October 23, 2007

Update: Coker Returns to Normal Rates at ConocoPhillips's 247,000 b/d Sweeny Refinery in Texas

The coker had been at reduced rates since October 7.

Bloomberg News, 11:21 October 23, 2007

Update: SRU Shut at Total's 232,000 b/d Port Arthur, Texas Refinery October 23

Total shut the sulfur recovery unit (SRU) shut today and other processing equipment slowed. On October 19 a Total product transfer pipeline was damaged when a Dow Chemical ethylene pipeline exploded on October 18, Total reported that, "The facility may shutdown and subsequently restart various units to handle containment issues."

Bloomberg News, 10:31 October 23, 2007

Train Derails in Vermont, Spilling Gasoline and Fuel Oil and Sparking Fire October 22

Sixteen of the train's 18 cars derailed in Middlebury, Vermont yesterday, spilling gasoline and fuel oil into nearby Otter Creek. The spill caused a brief fire and forced evacuations of nearby residents. No injuries were reported.

http://ap.google.com/article/ALeqM5h5fi2_0Cal3EmLAcTZNoqye_J2QQD8SEMH5G1

Natural Gas

NiSource Holds Open Season for Proposed Expansion of Lafayette Facility in Louisiana

Columbia Gas Transmission Corp's NiSource Inc. on Tuesday announced an open season for a proposed expansion connection with Florida Gas Transmission. The project would expand existing facilities near Lafayette, Louisiana by 180 mmcf/d for a total deliverability of 300 mmcf/d. The increase would be achieved through the addition of compression at the Rayne compressor station and pipeline facilities on its East lateral in south Louisiana, with a projected in-service date of June 1, 2008. The open season runs through November 2, 2007.

Bloomberg News, 15:25 October 22, 2007

Equipment Failure Reported at East Waddell Gas Plant in Crane, Texas October 22

According to a report filed with state regulators, an emissions event occurred at the East Waddell Gas Plant. A field operator discovered that the tubing lines on unit 1 2 were frozen, causing both units to become inoperable. The lines were defrosted and unit 2 returned to service. Unit 1 remained out of service until a defective part could be replaced.

<http://www2.tceq.state.tx.us/eer/main/index.cfm?fuseaction=getDetails&target=99040>

Power Outage Reported at South Fullerton Booster Station in Andrews, TX October 22

According to a report filed with state regulators, an emissions event was reported at the South Fullerton Booster Station when a generator malfunction caused a loss of power. As a result gas backed out into the gathering system. Plant operators restarted generators and the plant was able to take in gas as of early this morning.

<http://www2.tceq.state.tx.us/eer/main/index.cfm?fuseaction=getDetails&target=99064>

<http://www2.tceq.state.tx.us/eer/main/index.cfm?fuseaction=getDetails&target=99067>

Emissions Event Reported at Andrews Booster Station in Andrews, Texas October 22

According to a filing with state regulators, the Fullerton facility's power outage resulted in an upset at the Andrews Booster Station. The generators went down and the outage caused gas to be backed out which flared. Following the twelve hour event, the plant returned to normal operations.

<http://www2.tceq.state.tx.us/eer/main/index.cfm?fuseaction=getDetails&target=99096>

Power Outage Reported at Riley Doss Booster Station in Seminole, Texas October 22

According to a filing with state regulators, the Fullerton facility's power outage resulted in a power outage at the Doss Booster Station yesterday. The generators went down as a result and the upset caused natural gas to be backed out, in turn causing flares. The plant is back in normal operations after eliminating the flare

<http://www2.tceq.state.tx.us/eer/main/index.cfm?fuseaction=getDetails&target=99098>

Other News

Worried by Coal, InterAcademy Council Calls for Increase in R&D Spending

Concerned by the increase in the number of planned coal-fired power plants, a study by the InterAcademy Council, "Lighting the Way: Toward a Sustainable Energy Future" calls for cut backs in emissions blamed for global warming. The report also calls for the extension of basic energy services to 2 billion people worldwide to reduce the potential for conflict over energy resources. Finally, the report suggests that public investment worldwide in energy research and development, estimated at US\$9 billion in 2005, be doubled at least.

<http://www.interacademycouncil.net/?id=9481>

Energy Prices

| U.S. Oil and Gas Prices October 23, 2007 | | | |
|--|-------|----------|----------|
| | Today | Week Ago | Year Ago |
| CRUDE OIL West Texas Intermediate U.S. \$/Barrel | 86.52 | 87.58 | 56.74 |
| NATURAL GAS Henry Hub \$/Million Btu | 6.30 | 7.29 | 7.29 |

Source: Reuters

Energy Notes

Ethanol's Contribution to Inflation Seen to Eclipse Benefits to Energy Security – Report

http://research.cibcwm.com/economic_public/download/soct07.pdf

125 MW Uprate to PSEG's 1,100 MW Hope Creek Nuclear Plant Not Seen to Hold Significant Environmental Impact – NRC

<http://www.platts.com/Nuclear/News/6536228.xml?p=Nuclear/News&sub=Nuclear>

Lightning Storm and High Winds Knock Out Power to 20,000 CPS Energy Customers in San Antonio Texas October 22

http://www.woai.com/news/local/story.aspx?content_id=f6c0c69b-326b-4806-855e-6b8badb8ae75

Southern California Edison Postpones Annual Nuclear Plant Emergency Siren Test to Focus on Responding to Wildfires

Business Wire, 12:59 October 23, 2007

Idacorp Files Suit Against Federal Government Over Water Release From the American Falls Reservoir

<http://www.tradingmarkets.com/.site/news/Stock%20News/724372/>

44 Percent of the 300,000 MW Proposed New Generation are Renewable Energy Projects, Wind Being the Largest Single Energy Source – ISO/RTO Council

http://www.isorto.org/site/c.jhKQIZPBIImE/b.2613997/apps/nl/content2.asp?content_id={AFED96C7-B37E-43C0-A82A-CA95D5D022B0}¬oc=1

Links

This Week in Petroleum from the Energy Information Administration (EIA)

<http://tonto.eia.doe.gov/oog/info/twip/twip.asp>

Updated every Wednesday.

Weekly Petroleum Status Report from EIA

http://www.eia.doe.gov/oil_gas/petroleum/data_publications/weekly_petroleum_status_report/wpsr.html

Updated after 10:30 AM & 1:00 PM EST every Wednesday.

Natural Gas Weekly Update from EIA

<http://tonto.eia.doe.gov/oog/info/ngw/ngupdate.asp>

Updated after 2:00 PM EST every Thursday.

ENERGY ASSURANCE DAILY

Energy Assurance Daily provides a summary of public information concerning current energy issues. Published Monday through Friday to inform stakeholders of developments affecting energy systems, flows, and markets, it provides highlights of energy issues rather than a comprehensive coverage. *Energy Assurance Daily* is updated online Monday through Friday after 5:00 p.m. EST. For more information, visit the Infrastructure Security and Energy Restoration (ISER) website at:

<http://www.oe.netl.doe.gov/index.aspx>.

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